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TO RUEHC/SECSTATE WASHDC 2216  
INFO RHEHAAA/WHITE HOUSE WASHDC  
RUEHBN/AMCONSUL MELBOURNE 6758  
RUEHPT/AMCONSUL PERTH 5024  
RUEHDN/AMCONSUL SYDNEY 5023

UNCLAS CANBERRA 000989

SENSITIVE  
SIPDIS

STATE FOR PM/DTCC JOUBERT-LINEEB AND EAP/ANP

E.O. 12958: N/A  
TAGS: [ETTC](#) [KOMC](#) [AS](#)  
SUBJECT: BLUE LANTERN: BROKER INQUIRY K-2322

REF: SECSTATE 94181

¶1. (SBU) U.S. Embassy Political/Economic Office spoke with RONALD GILBERT, managing director of PROLOGUE CONSULTING PTY LTD by phone on October 30, 2009. The following information is intended to answer questions in reftel:

-- Confirm that this entity is in the business of brokering defense articles and defense services at the location(s) indicated under its legal name(s);

A: Gilbert confirmed that Prologue, which operates only out of this location, is the sole broker in Australia for L3 Communications defense-related products (telemetry systems) in Australia. The company has three employees (two embedded in GOA research institutions) and has represented L3 and its predecessors since ¶1993.

-- Determine whether this entity is authorized to conduct such activities in its home country, whether the entity has any criminal or other derogatory background, and whether Post has any information on its brokering or arms export activities that may involve proscribed entities such as countries under U.S. or international sanctions, or designated state sponsors of terrorism;

A: There is no legal requirement for an entity to be licensed or reviewed by the Australian Defence Export Control Office for brokering services. However, DECO did agree to run this entity through its database. DECO confirms that PROLOGUE CONSULTING PTY LTD has never applied for or been granted export licenses by the Australian government. No derogatory information was uncovered in this review.

-- Will the brokering firm be handling or storing USML items on behalf of its clients? If so, does it have secure facilities and proper accounting and security procedures for handling sensitive USML items?

A: Gilbert said that the equipment in question generally is shipped direct to the end user. Prologue is occasionally responsible for handling shipping for repair or servicing, but this is done at the end-user location by a Prologue employee.

-- What is the nature of its business and what other types of items does it handle? What types of organizations are among its typical clients and in what countries are they located?

A: Prologue brokers deals between L3 and Australian customers, including the RAAF, the RAN and the Defense Science and Technology Office (DSTO). Most of the company's work focuses on telemetry and data equipment for aerospace research. Some of these deals are covered by TAAs between L3 and the end-user. The company has no customers in Australia outside of the government, and no overseas customers.

-- Does the company understand the restrictions on USML items, especially the prohibition against unauthorized re-transfers and re-exports?

A: Gilbert said he and his employees are fully aware of and compliant with all ITAR-related requirements.

12. (SBU) Due to constraints on post resources, post was unable to schedule a site visit to this entity within the proscribed time period. Please advise if follow-up questions are necessary to verify the bona fides of this individual or entity.